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# **China, Peoples Republic of**

## **Promotion Opportunities**

### **Export Promotion Opportunities Update - March**

### **2000**

Approved by:

**LaVerne E. Brabant**

**U.S. Consulate General, Shanghai**

Prepared by:

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#### **Report Highlights:**

**This report identifies promotional opportunities and outlines the marketing activities planned by ATO Shanghai. A summary of news and market developments is included, along with a list of recently released ATO Shanghai reports, most notably the brand new HRI and Retail Sector Reports for East China.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Shanghai ATO [CH2], CH

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**I. Upcoming Promotional Activities/Events**

The promotional activities provided in this report are for informational purposes only. No endorsement is either implied or intended unless specifically stated. Terms and conditions of participation are the sole responsibility of the organizer. Please contact the activity or event organizer directly for additional information.

**A. In-store and Menu Promotions**

ATO Shanghai continues to organize a variety of promotional events in both the retail food and HRI sectors. Currently, we are discussing the organization of an in-store American food promotion with the Shanghai Carrefour group.

In June, ATO Shanghai will hold the annual Great American Barbecue reception during the Food & Hotel China 2000 trade show in Beijing. We have selected the Beijing Great Wall Sheraton Hotel's outdoor garden as the venue for this year's "by invitation only" Great American Barbecue. The 17,000m<sup>2</sup> garden has a seating capacity of 700, two stages, a catwalk, a covered dance floor, VIP seating inside a Chinese imperial-style pavilion, and over 20 pre-built food stands. We are also planning to extend the Great American Barbecue night into a 7-to-10-day-long American Food & Beverage menu promotion at the same venue, keeping with the same food & beverage format and entertainment, and featuring a wide variety of quality food and beverage products from the US.

If you are an American company interested in participating in any future ATO Shanghai activities, please mail or DHL product brochures, including FOB West coast, CIF Hong Kong, CIF Shanghai price lists to our office immediately. Please refer to the Contacts page for complete ATO Shanghai mailing and contact information.

**B. Trade Shows**

The ATO Shanghai Trade Show Star-Rating System is an unofficial rating based on this office's assessment and best guess of a trade show's expected overall quality, as well as interest and

importance to US exporters **OF FOOD AND AGRICULTURAL PRODUCTS**. This is **NOT** an official FAS/USDA trade show rating. ATO Shanghai constantly monitors all shows before, during and after the show dates, and our comments and rating are updated on a monthly basis. This is done through: (a) direct visits to the show, (b) communication/cooperation (or lack thereof) by the show organizer, or (c) polling our most reliable local trade contacts for opinion, experience with the show.

ATO Shanghai Trade Show Star-Rating System:

- i i i i i** - Excellent trade show, with established good track record, presenting the best opportunities for exporters of food and agricultural products within the industry or sector it specializes in.
- i i i i j** - Very good trade show, with established track record, but lacking slightly in organization or services.
- i i i j j** - Good or potentially strong trade show, presenting some decent or unique opportunities, but either fairly new and small, or not necessarily specializing in food and agricultural products.
- i i j j j** - Fairly new and unestablished trade show that may present some relatively unexplored opportunities, or one that is of little interest to exporters of food and agricultural products.
- i j j j j** - Either new and unestablished trade show, or one with relatively weak track record.
- j j j j j** - Trade show that has had consistently disappointing past performance.

1. Spring 2000 National Candy & Spirits Fair **i i i i i**  
Date: March 16 - 21, 2000  
Venue: California Garden Hotel, Chengdu

This is a semi-annual event and the largest domestic trade show in China. It has a strong “local” focus, featuring a wide variety of food, wines and spirits. The show attracts more than 50,000 domestic buyers, mostly wholesalers and distributors, and is an excellent chance to expand contacts and penetrate new markets in inland China. After two very successful appearances in March 1999 in Chengdu and in October 1999 in Dalian, ATO Shanghai is organizing the third US sales mission team to take part in this event.

Contact: Mr. Peter Moustakerski, ATO Shanghai, Shanghai Center, Suite 331, 1376 Nanjing West Road, Shanghai 200040; Phone: (86-21) 6279-8622, Fax: (86-21) 6279-8336, E-mail: atos@public.sta.net.cn

2. Beijing International Bonded Showcase of Import Products **i i j j j**  
Date: April 1 - June 30, 2000  
Venue: Chaoyang Port, Beijing

The Beijing International Bonded Showcase of Import Products (ITC Showcase) is the first and only

duty free bonded showcase organized in China. The showcase, jointly organized by Info-Trade-complex and the North American Business Development Division of China Council for the Promotion of International Trade (CCPIT) Beijing Sub-Council, will feature 54,000 m<sup>2</sup> of bonded warehouse with 36,000 m<sup>2</sup> of indoor space. This could be a good opportunity for US exporters to display products in a high-tech duty free development zone near Beijing, and build working relationships with local customs, importers and traders. The showcase will also be accompanied by a number of promotional activities put together by the organizers and is certain to receive abundant news and media coverage in Beijing and throughout the country.

Contact: Mr. Wilson Wang, North American Business Development Division of China Council for the Promotion of International Trade (CCPIT) Beijing Sub-Council, E-mail: ccpitbj@post.com

3.       Chinafloor 2000 **i i i j j**  
Date: April 4 - 6, 2000  
Venue: Shanghaimart, Shanghai

In 1999, this show made its debut in Shanghai. This is the first show specializing in floor coverings and flooring technologies. This could be a decent opportunity for US hardwood flooring exporters to exhibit in China, as well as organize technical and educational seminars for a select audience of Chinese customers.

Contact: Mr. David Zhong, Keylong Exhibition Service Co., Ltd., E19B, Strength Plaza, New Hongqiao Business Square, 600 Tianshan Road, Shanghai 200051, Phone: (86-21) 5289-6776, 5289-6010, Fax: (86-21) 5289-6066, 5289-6648, E-mail: keylong@public.sta.net.cn

4.       Building Shanghai 2000 **i j j j j**  
Date: April 4 - 7, 2000  
Venue: Intex Convention Center, Shanghai

This is the seventh edition of this show, organized by the Shanghai Building Material Industry Association. This could be a worthwhile opportunity for exporters of forestry products interested in the China market.

Contact: Mr. David Zhong, Keylong Exhibition Service Co., Ltd., E19B, Strength Plaza, New Hongqiao Business Square, 600 Tianshan Road, Shanghai 200051, Phone: (86-21) 5289-6776, 5289-6010, Fax: (86-21) 5289-6066, 5289-6648, E-mail: keylong@public.sta.net.cn

5.       China Agriculture & Food Biotechnology **i j j j j**  
Date: April 4 - 5, 2000  
Venue: Great Wall Sheraton Hotel, Beijing

A paid conference jointly organized by the Development Center of Science & Technology of the Ministry of Agriculture of China and the Singapore-based Center of Management Technology. This will be a high-level forum featuring representatives from the Chinese government, Chinese universities, and

international companies and associations involved in agriculture and biotechnology.

Contact: Ms. Jolene Phee, Center of Management Technology, #13-02 Parkway Parade, 80 Marine Parade Road, Singapore 449269; Phone: (65) 346-9132, Fax: (65) 345-5928, E-mail: jolene@cmtsp.com.sg, Internet: www.gen.com/cmantech

6. Hortifloorexpo China '2000 **i i j j j**  
Date: April 4 - 7, 2000  
Venue: National Agricultural Exhibition Hall, Beijing

Organized by the China Flower Association, this show is a continuance of China Floorexpo '98 which took place in Shanghai last year. This is the only trade show in China specializing in floriculture, horticulture, and related equipment and supplies. While we only rate this show a two star, it could very possibly be a worthwhile activity for companies interested in exploring possible floricultural opportunities in this market sector.

Contact: Mr. Yu Hong, China Great Wall International Co., Ltd., 14/F, China Aerospace Great Wall Plaza, 30 Haidian South Road, Beijing 100080, Phone: (86-10) 6874-8903, Fax: (86-10) 6874-8993, E-mail: yuhong@cgwic.com

7. Food Ingredients Asia 2000 **i i i i i**  
Date: April 5 - 7, 2000  
Venue: Everbright Convention & Exhibition Center, Shanghai

After its first successful appearance in China in 1998, Fi Asia 2000 will return to Shanghai. The 11th Fi Asia event will be held in conjunction with independently organized Food Ingredients China 2000, a leading show for the Food Ingredients sector in China, as result of the cooperation between Miller Freeman, China Food Additive Association (CFAA) and China Council for the Promotion of International Trade (CCPIT), Sub-Council for Light Industry. This is expected to be an excellent opportunity for foreign food ingredient exporters, since some of China's largest food manufacturers are located in Shanghai. In addition, the show should be able to attract visitors from the food ingredient sector all over China. ATO Shanghai will actively recruit, assist and support US companies involved with this show.

Contact: Ms. Beth Kwee or Ms. Candy Cheng, Miller Freeman Asia Ltd., 102-5 Stanhope House, 738 King's Road, Quarry Bay, Hong Kong; Phone: (852) 2827-6211, Fax: (852) 2827-7831, E-mail: bethkwee@mfasia.com.hk or CCPIT-Light Industry, 22B, Fuwai St., Beijing 100833; Phone: (86-10) 6839-6468, Fax: (86-10) 6839-6422, E-mail: ccpitsli@public3.bta.net.cn

8. Shanghai International Flower Fair **i j j j j**  
Date: April 5 - 17, 2000  
Venue: Changfeng Park, Shanghai

This is the second year that this open-air flower exhibition is to be held in Shanghai. Currently, this is a

fairly weak local government-organized event, but may present some interesting opportunities in the future.

Contact: Mr. Simon S.K. Hung, Milestone International Group Ltd., Rm. 402, Tower A, Hunghom Commercial Center, 39 Ma Tau Wai Road, Hunghom, Kowloon, Hong Kong; Phone (852) 2333-2186, Fax: (852) 2362-7593, E-mail: milestone@milestone.com.hk

9. SIAL China 2000 **i i i j j**  
Date: April 11 - 14, 2000  
Venue: China International Exhibition Center, Beijing

After holding the first SIAL Asia show in Singapore earlier this year in June, the international organizers of SIAL, Expositum, are planning the show's very first appearance in China to be held jointly with their Agro-Foodtech 2000 show. While SIAL has an excellent European reputation, the initial show here will compete head on with the more firmly established Food & Hotel Asia 2000 show to be held in Singapore on the exact same dates. In addition, the show will compete with Food China 2000 being held in Beijing, in June 2000. Nevertheless, FAS China plans to observe the SIAL China show, and based on the excellent reputation of the organizer, it may have the potential to become a highly effective food trade show for China.

Contact: Ms. Lillian Lee, Expositum China, Unit 710, Union Plaza, 20 Chaoyangmenwai Dajie, Beijing 100020; Phone: (86-10) 6587-2510, 6588-0467, Fax: (86-10) 6587-2512 or Mr. François Gros, IMEX Management, Inc. (U.S. Representatives for Expositum), 505 East Boulevard, Suite 200, Charlotte, NC 28203; Phone: (704) 365-0041, Fax: (704) 365-8426, E-mail: expositum@imexmgt.com, or Ms. Anne Capdevielle, Expositum, 1, rue du Parc, 92593 Levallois, Perret Cedex, France; Phone: (33-1) 49 68 54 22, (33-1) 49 68 54 11, E-mail: acapdevielle@expositum.fr, Internet: www.sial.fr, www.expositum.com

10. Hotelex Shanghai 2000 **i j j j j**  
Date: April 18 - 21, 2000  
Venue: Shanghaimart, Shanghai

This show concentrates primarily on hotel equipment and supplies, with hotel food supplies taking a back seat. Hotelex is held as part of the larger Batimat 2000 building material and equipment show, alongside with several other shows. Opportunities for imported food and agricultural products are expected to be limited. The organizers are a cooperative joint-venture company between Miller Freeman and a local exhibition company.

Contact: Ms. Chric Chow, Shanghai MF SinoExpo International Exhibition Co., Ltd., 10/F, Xian Dai Mansion, 218 Xiangyang (South) Road, Shanghai 200031; Phone: (86-21) 6437-1178, Fax: (86-21) 6437-0982, E-mail: chrischow@mfsinoexpo.com, Internet: www.mfsinoexpo.com

11. VIV China 2000 **i i j j j**  
Date: April 18 - 21, 2000

Venue: China International Exhibition Center, Beijing

The international organizers of CRC 99, Royal Dutch Jaarbeurs, are stepping in to co-organize this "animal husbandry and feed industry" show. This event is expected to showcase foreign and domestic equipment and technology, as well as agricultural products, services and supplies.

Contact: Mr. Hans Stoter, Royal Dutch Jaarbeurs, E19B, Strength Plaza, New Hongqiao Business Square, 600 Tianshan Road, Shanghai 200051, Phone: (86-21) 5289-6776, 5289-6010, Fax: (86-21) 5289-6010, 5289-6648, E-mail: stoter\_jaarbeurs@yahoo.com

12. '2000 China Bakery and Confectionery Industry Exhibition **i i j j j**

Date: May 16 - 18, 2000

Venue: Chinese Export Commodities Fairground, Guangzhou

This is the third edition of this relatively new specialized show, sponsored by the China Food Industry association and the China Bakery and Confectionery Industry Association. It is unlikely that this show will attract many international exhibitors, but the organizers are eager to hold a series of educational seminars for a good local audience of Chinese food manufacturers and processors.

Contact: Mr. Zhou Guang Jun, Organizing Committee, 3B Xi Tu Cheng Road, Haidian District, Beijing 100088; Phone: (86-10) 6205-3764, 8207-9875, Fax: (86-10) 6236-9459 or China Bakery and Confectionery Industry Association, 22B Bu Wai Avenue, Beijing 100833; Phone: (86-10) 6839-6509, 6839-6569, Fax: (86-21) 6839-6567, Internet: www.china-bakery.com.cn

13. IFF China 2000 **i j j j j**

Date: May 17 - 20, 2000

Venue: Everbright Convention & Exhibition Center, Shanghai

As a new locally-organized show, International Fancy Food Exhibition & Conference (or IFF) is not expected to be a top-notch trade event. But since this is the first attempt at organizing a "fancy food" show, this may present some interesting opportunities in the future.

Contact: Mr. Wan Lei, China International Exhibition Corp. (CIEC), 6 east Beishanhuan Road, Beijing 100028; Phone (86-10) 8460-2137, Fax: (86-21) 6466-3204, E-mail: iff@chinafoods.com.cn, Internet: iff.chinafoods.com

14. ProPak China 2000 **i i j j j**

Date: May 24 - 27, 2000

Venue: Intex Convention Center, Shanghai

This show, put together by the organizers of Food & Hotel China, is set to provide a large display of international food, beverage and pharmaceuticals processing and packaging technology. ProPak China has a good record of attracting a high-quality audience as the exhibition focuses on providing a sales platform for overseas machinery suppliers.

Contact: Ms. Nancy Yung, Hong Kong Exhibition Services Ltd., 9th Floor Shiu Lam Building, 23 Luard Road, Wanchai, Hong Kong; Phone: (852) 2804-1500, Fax: (852) 2528-3103, E-mail: nancy@hkesmontnet.com.hk or in the US: Mr. Robert Chang, Commerce Tours International, Suite 918, 870 Market Street, San Francisco, CA 94102; Phone: (415) 433-3072, Fax: (415) 433-2820, E-mail: Comtours@aol.com.

15. Fishery '2000 - Guangzhou **i i j j j**  
Date: May 30 - June 1, 2000  
Venue: Chinese Export Commodities Fairground, Guangzhou

The primary seafood trade show in China has traditionally been the China Fisheries & Seafood Expo. However, for exporters specifically targeting Guangdong and the South China markets, Fishery '2000 - Guangzhou may be a good opportunity. Past shows have been of less than average quality and performance.

Contact: Top Repute Co., Ltd., Rm. 2403, Fu Fai Commercial Center, No 27 Hillier Street, Sheung Wan, Hong Kong; Phone: (852) 2851-8603, Fax: (852) 2851-8637, E-mail: topreput@hkabc.net

16. Dalian International Aquatic Products & Equipment Expo 2000 - **i i j j j**  
Date: June 14 - 17, 2000  
Venue: Dalian Xinghai Convention & Exhibition Center, Dalian

The primary seafood trade show in China has traditionally been the China Fisheries & Seafood Expo. However, Dalian is a major entry point for seafood products imported into North and Northeast China. For exporters targeting these markets, Seafood 2000 - Dalian may be a good opportunity.

Contact: Ms. Iris Tse, Business & Industrial Trade Fairs Ltd., Unit 1223, 12/F, Hongkong International Trade & Exhibition Center, 1 Trademart Drive, Kowloon Bay, Hong Kong; Phone: (852) 2865-2633, Fax: (852) 2866-1770, 2866-2076, E-mail: enquiry@bitf.com.hk

17. New Century China Food and Food Technology Exhibition **i j j j j**  
Date: June 15 - 18, 2000  
Venue: Tianjin International Exhibition Center, Tianjin

This is a new locally-organized food and food equipment show. Opportunities are expected to be limited.

Contact: Ms. Zhang Yan, Organizing Committee, Rm. 404, Heping Apartments, 243 Zhaoxing Road, Hexi District, Tianjin; Phone: (86-22) 2824-8980, 2824-8947, Fax: (86-22) 2824-8949

18. Food & Hotel China 2000 **i i i i j**  
Date: June 20 - 23, 2000  
Venue: China International Exhibition Center, Beijing

This year will be the seventh annual show for Food China and its track record is very good. After three successful appearances in Shanghai, Food China 2000 returns to Beijing for a special exhibition. The show is one of the few "trade only" shows in China that actually succeeds in keeping out the masses out of the exhibition. In 2000, Food China will reunite with Hotel China and return to the highly successful and original formula which includes food, wine, bakery products, equipment and supplies for hotels and restaurants.

Contact: Ms. Nancy Yung, Hong Kong Exhibition Services Ltd., 9th Floor Shiu Lam Building, 23 Luard Road, Wanchai, Hong Kong; Phone: (852) 2804-1500, Fax: (852) 2528-3103, E-mail: nancy@hkesmontnet.com.hk or in the US: Mr. Robert Chang, Commerce Tours International, Suite 918, 870 Market Street, San Francisco, CA 94102; Phone: (415) 433-3072, Fax: (415) 433-2820, E-mail: Comtours@aol.com.

19. China Wine & Spirits 2000 **i j j j j**  
Date: June 27 - 30, 2000  
Venue: China World Trade Center, Beijing

This will be the debut of a new wine show, organized by CCPIT Sub-Council of Light Industry and a Hong Kong exhibition company. International wine exhibitions have met with limited success in China during the past several years. The show is not expected to yield very good results, but could be interesting to attend.

Contact: Ms. Rebecca Chan, Business & Industrial Trade Fairs Ltd., Unit 1223, HITEC, 1 Trademart Drive, Kowloon Bay, Hong Kong; Phone: (852) 2865-2633, Fax: (852) 2866-1770, 2866-2076, E-mail: enquiry@bitf.com.hk

20. Dalian Food and Drinks Fair 2000 - **i i j j j**  
Date: August 3 - 6, 2000  
Venue: Dalian Xinghai Convention & Exhibition Center, Dalian

This is an annual food fair held in the affluent port city of Dalian. This is a largely local show, but the potential to reach the heavy-spending Dalian consumers and to identify opportunities in this consumer-oriented city make this show an interesting possible prospect for international food exporters.

Contact: Dalian Oriental Industries Exhibition Co., Ltd., Phone: (86-411) 368-9829

21. 2000 CRC & Expo **i i i j j**  
Date: August 28 - 31, 2000  
Venue: Intex Convention Center and Shanghaimart, Shanghai

This China Retail Conference and Exposition will be held for the third time in Shanghai. This show has elected to specialize in the field retail and supermarket technology and management, and not strive to become a leading food show. After a moderately-successful appearance in 1999, the organizers have again invited the Food Marketing Institute (FMI) to present seminars on a variety of topics related to

food retailing. This event is likely to attract first-class speakers, and FMI's participation should ensure good overall quality.

Contact: Mr. Hans Stoter, Royal Dutch Jaarbeurs, E19B, Strength Plaza, New Hongqiao Business Square, 600 Tianshan Road, Shanghai 200051, Phone: (86-21) 5289-6776, 5289-6010, Fax: (86-21) 5289-6010, 5289-6648, E-mail: stoter\_jaarbeurs@yahoo.com

22. Foodex China 2000 **i j j j j**  
Date: September 5 - 8, 2000  
Venue: China International Exhibition Center, Beijing

This is a brand new locally-organized show and is expected to be a mixture of food products, food ingredients, food technology and equipment. Overall quality and business opportunities are expected to be very limited.

Contact: Mr. Zhou Li Ying, Union Fair & Trade Co., Ltd., Rm. A6, 11/F, Champs Hotel Apartment, Nan Xin Yuan West Road, Chaoyang District, Beijing 100021; Phone: (86-10) 8732-5282, Fax: (86-10) 8732-0402, E-mail: bjunionf@public.east.cn.net

23. Healthcare China 2000 **i i j j j**  
Date: September 5 - 8, 2000  
Venue: Intex Convention Center, Shanghai

From the organizers of Food & Hotel China, this new trade show may present some unexplored opportunities in the field of health-related and health-care food and agricultural products.

Contact: Mr. Zhou Li Ying, Union Fair & Trade Co., Ltd., Rm. A6, 11/F, Champs Hotel Apartment, Nan Xin Yuan West Road, Chaoyang District, Beijing 100021; Phone: (86-10) 8732-5282, Fax: (86-10) 8732-0402, E-mail: bjunionf@public.east.cn.net

24. Packtech & Foodtech China 2000 **i j j j j**  
Date: September 20 - 23, 2000  
Venue: Intex Convention Center, Shanghai

From the organizers of SIAL, this new food packaging and processing equipment and technology show will aim to compete directly with the more established ProPak expo. Opportunities for food and agro-products are expected to be very limited.

Contact: Mr. Yves Nys, IMEX Management, Inc. (U.S. Representatives for Exposium), 505 East Boulevard, Suite 200, Charlotte, NC 28203; Phone: (704) 365-0041, Fax: (704) 365-8426, E-mail: info@imexmgt.com, or Ms. Anne Capdevielle, Exposium, 1, rue du Parc, 92593 Levallois, Perret Cedex, France; Phone: (33-1) 49 68 54 22, (33-1) 49 68 54 11, E-mail: acapdevielle@exposium.fr, Internet: www.sial.fr, www.exposium.com

25. Foodexpo Shanghai 2000 **i i j j j**  
Date: September 20 - 24, 2000  
Venue: Shanghai Exhibition Center, Shanghai

This is a locally-organized consumer show popular with Chinese companies and joint ventures in the food sector. It is of somewhat lesser importance and potential to overseas exporters than the Food China show in June 2000, but is nonetheless an event of considerable size in the food industry and a good opportunity for foreign companies to do some test marketing with consumers. The main exhibitors at this show are leading Shanghai distributors. This year, the show will be co-organized by the Japanese-owned publishers of Food News magazine, a popular industry publication in China. They will attempt an overall facelift of the show and gradually redirect its focus away from consumers and toward the specialized trade. This show may also present US companies with good opportunities to stage educational and trade seminars.

Contact: Mr. James Yu, Shanghai Gray Business Promotion Co., Ltd., A/11F, Wu Hua Building, 1078 Jiangning Road, Shanghai 200060; Phone: (86-21) 6266-0943, 5252-0202, 6266-0942, Fax: (86-21) 6276-1139, E-mail: grayexpo@public7.sta.net.cn

26. Food & Hotel South China 2000 **i i i j j**  
Date: September 26 - 28, 2000  
Venue: Guangzhou Foreign Trade Center, Guangzhou

The organizers of the Food & Hotel China Exhibition are putting together their first exhibition in the booming South China region, attempting to emulate their highly successful Shanghai show. This may become a major food show for South China although the show dates were originally in conflict with the traditional Chinese Mid-Autumn Festival holiday. The final dates are still to be announced.

Contact: Ms. Nancy Yung, Hong Kong Exhibition Services Ltd., 9th Floor Shiu Lam Building, 23 Luard Road, Wanchai, Hong Kong; Phone: (852) 2804-1500, Fax: (852) 2528-3103, E-mail: nancy@hkesmontnet.com.hk or in the US: Mr. Robert Chang, Commerce Tours International, Suite 918, 870 Market Street, San Francisco, CA 94102; Phone: (415) 433-3072, Fax: (415) 433-2820, E-mail: Comtours@aol.com.

27. Interfood Shanghai 2000 **i j j j j**  
Date: October 10 - 13, 2000  
Venue: Everbright Convention & Exhibition Center, Shanghai

This locally-organized show has been around for a number of years, mainly showcasing Chinese and some foreign food and beverage manufacturing equipment and technology. Performance and overall quality have been average at best. The organizers are trying to attract more international food exhibitors in 2000 and turn Interfood from an equipment into a food show.

Contact: Mr. Li Xiaoqiang, Shanghai International Exhibition Corp., 4/F, Bldg. 1, Jinling Mansions, 28 Jinling West Road, Shanghai 200021; Phone: (86-21) 6387-2828 ext. 215, Fax: (86-21) 6512-4191

28. China Fisheries & Seafood Expo 2000 **i i i i i**  
Date: November 1 - 3, 2000  
Venue: China National Agricultural Exhibition Center, Beijing

FAS China considers seafood to be one of the best opportunities for US exporters in China. This show has been able to successfully attract major seafood importers, wholesalers, and seafood processors in Qingdao, Beijing, Dalian and Shanghai the last four years. The Shanghai show was very successful in attracting quality buyers and processors from across China. This show is best suited for exporters of frozen seafood, particularly squid, pollack, sole, and herring that can be sold in wholesale markets and/or further processed in China. ATO's Shanghai and Guangzhou will have representatives at the show to support US exhibitors.

Contact: Sea Fare Expositions, Inc., 5305 Shilshole Ave. NW, Suite 200, Seattle, WA 98107; Phone: (206) 789-6506, Fax: (206) 789-9193, E-mail: china@seafare.com, Internet: www.seafare.com

29. Dalian International Fur & Leather Goods Expo 2000 - **i i j j j**  
Date: November 1 - 5, 2000  
Venue: Dalian Xinghai Convention & Exhibition Center, Dalian

This annual trade show is jointly held with China Feather Down-padded Products Export Fair and Dalian Wool Cashmere & Knitwear Expo in the affluent port city of Dalian. This is a locally-organized show, but has the potential to reach buyers of fur and leather goods not only from heavy-spending Dalian, but from the entire Northeast of China where the market for such products is significant.

Contact: Dalian International Exhibition Co., Ltd., Phone: (86-411) 270-1743

30. China Wine 2000 **j j j j j**  
Date: November 21 - 24, 2000  
Venue: Intex Convention Center, Shanghai

This show premiered in Shanghai in 1998 with very limited success. With the help of its organizers from Italy and Hong Kong, it managed to attract a good number of international exhibitors, mainly from Italy and France, but appears to have failed to produce any real or lasting tangible results. The 1999 edition of China Wine was largely disappointing for international exhibitors.

Contact: Adsale Exhibition Services Ltd., 4/F, Stanhope House, 734 King's Road, North Point, Hong Kong; Phone: (852) 2811-8897, Fax: (852) 2516-5024, E-mail: aes@adsaleexh.com or Veronafiore International SpA, V.le del Lavoro, 837100, Verona, Italy; Phone: (39-45) 820-3162, Fax: (39-45) 820-3320, E-mail: vrifi@vrifi.inet.it

31. Hotel China 2000 **i j j j j**  
Date: November 22 - 25, 2000  
Venue: China World Trade Center, Beijing

An equipment-oriented locally-organized show. Past performance has been fairly weak and opportunities for food products are limited.

Contact: Adsale Exhibition Services Ltd., 4/F, Stanhope House, 734 King's Road, North Point, Hong Kong; Phone: (852) 2811-8897, Fax: (852) 2516-5024, E-mail: aes@adsaleexh.com or Veronafiore International SpA, V.le del Lavoro, 837100, Verona, Italy; Phone: (39-45) 820-3162, Fax: (39-45) 820-3320, E-mail: vrfi@vrfi.inet.it

32. Pet Fair Asia 2000 **i i i j j**  
Date: November 24 - 26, 2000  
Venue: International Exhibition Center, Shanghai

CRC 2000 organizers are putting together this third international forum dedicated to pet and aquatic products and services. This show, first held in 1997, grew to a fairly successful one in 1999.

Contact: Mr. Hans Stoter, Royal Dutch Jaarbeurs, E19B, Strength Plaza, New Hongqiao Business Square, 600 Tianshan Road, Shanghai 200051, Phone: (86-21) 5289-6776, 5289-6010, Fax: (86-21) 5289-6010, 5289-6648, E-mail: stoter\_jaarbeurs@yahoo.com

33. WoodMac China 2001 **i i i j j**  
Date: February 20-23, 2001  
Venue: Intex Convention Center & Shanghaimart, Shanghai

This well-established show provides a good forum for forestry products and woodworking machinery, and supplies. It also showcases equipment and supplies for timber construction and furniture production. This should be a good opportunity for companies looking to export wood products to China.

Contact: Ms. Nancy Yung, Hong Kong Exhibition Services Ltd., 9th Floor Shiu Lam Building, 23 Luard Road, Wanchai, Hong Kong; Phone: (852) 2804-1500, Fax: (852) 2528-3103, E-mail: nancy@hkesmontnet.com.hk or in the US: Mr. Robert Chang, Commerce Tours International, Suite 918, 870 Market Street, San Francisco, CA 94102; Phone: (415) 433-3072, Fax: (415) 433-2820, E-mail: Comtours@aol.com.

34. Food & Hotel China 2001 **i i i i j**  
Date: August 28 - 31, 2001  
Venue: Everbright Convention & Exhibition Center, Shanghai

The eighth annual show for Food China will return to Shanghai and its track record is very good. The show is one of the few "trade only" shows in China that actually succeeds in keeping out the masses out of the exhibition. The Food & Hotel China show has established a highly successful formula which presents an exclusive showcase of international companies specializing in food, wine, bakery products, equipment and supplies for hotels and restaurants.

Contact: Ms. Nancy Yung, Hong Kong Exhibition Services Ltd., 9th Floor Shiu Lam Building, 23 Luard Road, Wanchai, Hong Kong; Phone: (852) 2804-1500, Fax: (852) 2528-3103, E-mail: nancy@hkesmontnet.com.hk or in the US: Mr. Robert Chang, Commerce Tours International, Suite 918, 870 Market Street, San Francisco, CA 94102; Phone: (415) 433-3072, Fax: (415) 433-2820, E-mail: Comtours@aol.com.

### **C. Chinese Trade Teams to the USA**

ATO Shanghai is organizing several teams of Chinese managers and specialists to attend the following events in the USA:

- a Cochran-funded Food Safety Team of experts and officials to the USA in August 2000;
- a Buyers Team to the Food Marketing Institute show in Chicago in May 2000;
- a Cochran-funded China Hardwood Interior Team of interior decorators and decoration material manufacturers to the Highpoint Furniture Show in North Carolina in April 2000.

If any American companies are interested in meeting with these teams or would like to host a facility tour for them, please contact the ATO Shanghai now at the address and numbers provided at the end of this document.

### **D. Training and Seminars**

Representatives of the Culinary Institute of America (CIA) and the Western United States Agricultural Trade Association (WUSATA) spent the week of December 6 in Shanghai evaluating the HRI sector for an upcoming FAS(EMO)-funded training program tentatively scheduled to be conducted in 3-4 Chinese cities in the summer of 2000. The training will focus on use of American food products in both the Western and the Chinese kitchen, menu development, and wine training. American food products will be featured in the hands-on training that will center on 4-5 star hotels and upmarket standalone restaurants. Companies and/or cooperators interested in being product sponsors should get in touch with Bruce Prenguber, Executive Director of WUSATA (bruce@wusata.org), or Greg Drescher, Education Director of the Culinary Institute of America, Greystone campus (g\_dresh@culinary.edu).

## **II. Key Market Information**

### **1. China Buys 50,000 Tons of Pacific Northwest Wheat**

In late February 2000, China signed a contract to purchase 50,000 tonnes of wheat from the United States' Pacific northwest, ending a longtime boycott based on unscientific allegations of contamination with TCK smut. The US\$6 million deal is a largely symbolic move, but is at the same time of historic significance as the first concrete step China has taken towards implementing the Sino-US Agricultural Cooperation Agreement of April 1999, and the Sino-US accord on China's accession to the WTO of November 1999. Even though some Chinese officials have referred to the purchase as a "trial shipment", it is viewed as an important positive development that could favorably influence members of Congress ahead of a key vote on approving permanent normal trade relations (PNTR) with China.

Passing PNTR for China would result in as much as \$2 billion of estimated additional American farm exports.

2. Park 'N Shop Pulls out of Shanghai

Following hot on the heels of Dutch retailer Ahold-Tops' pullout from China last summer, Park 'N Shop has decided to depart from the highly competitive Shanghai retail sector, further evidence that cut-throat competition, oversupply, and pressure from the more successful hypermarket format (Carrefour, Metro, Auchon) is taking its toll. Park 'N Shop will retain a management contract with one existing Shanghai store, but will sell the equity in its other local stores to an un-named company. For details, please access ATO Shanghai report "Park 'N Shop Pulls Out Of Shanghai" (CH0808) below.

3. China Opens First On-line Commodities Fair

In January 2000, China launched its first Internet-based virtual commodity fair through a website called Yantai Market ([www.yantaimarket.com](http://www.yantaimarket.com)), co-sponsored by the eastern China port city of Yantai in Shandong Province and the China International E-Commerce Center under the State Economic and Trade Commission. The website features a name list and details of more than 2,200 products supplied by major foreign trade companies, manufacturing enterprises, foreign-funded ventures, and scientific research institutes in Yantai. Through the Yantai Market website, local officials hope to utilize the convenience and potential of e-commerce to boost foreign trade, while staging a globally-accessible virtual fair at a fraction of the organizational cost of holding a real one.

4. China to Import More Timber in 2000

After 18 months of preparation, China is ready to start implementing a nationwide ban on logging, says the president of the Beijing Branch of the China National Timber Exchange Market. The ban was introduced by the Chinese government after a series of devastating floods in 1998, blamed on serious land erosion as a result of careless and unrestrained logging by China's forestry industry. Experts predict that timber imports will likely increase by 12 percent in 2000 to 10 million cubic meters as a result of market demand and the logging ban.

## A. Newly Released Reports

1. Park 'N Shop Pulls Out Of Shanghai: (CH0808) Following hot on the heels of Dutch retailer Ahold-Tops' pullout from China last summer, Park 'N Shop has decided to depart from the highly competitive Shanghai retail sector, further evidence that cut-throat competition, oversupply, and pressure from the more successful hypermarket format (Carrefour, Metro, Auchon) is taking its toll. Park 'N Shop will retain a management contract with one existing Shanghai store, but will sell the equity in its other local stores to an un-named company.
2. China Poultry Semi-Annual: (CH0806) China, the world's largest poultry market, and the world's second largest poultry producer, is no longer experiencing the double-digit annual growth of 1985 to 1995. Poultry production for 1999 is estimated at 11 million MT, and egg production at 20.85 million MT. We expect both poultry and egg production to expand by between 3-5% in 2000.
3. Shanghai Mall Foot Traffic Brings Retailers Riches: (CH0802) Retail sales on Shanghai's premier shopping street have improved markedly since the eastern section of Nanjing Road re-opened as a pedestrian mall in the fall of 1999. More than a shopping destination, the newly renovated street is now a major tourist attraction and the crown jewel in Shanghai's claim as China's retail mecca.
4. Hotel, Restaurant and Institutional (HRI) Sector for East China: (CH9836) China's HRI sector achieved impressive growth of more than 15% in 1998, with total sales reaching USD33.7 Billion. The concomitant effects of a rapidly expanding consumer class and explosive development in the restaurant segment sizzles with significant opportunities for food traders willing to pursue this market. Shanghai's HRI sector, with a whopping USD1.1 Billion in 1998 revenues, is the nation's trendsetter and primary focus of this report.
5. Retail Sector Report for East and North China: (CH9835) Explosive growth in the retail sector, brought on by a booming economy, rising consumer incomes, and policies favoring development, have changed the face of Chinese retail in the last decade. Moribund state-run stores are learning to compete with foreign-managed operations by improving management, merchandising, selection, service, and price. China's likely accession to WTO should create even greater export opportunities, although China will remain a challenging market.
6. Exporter Guide, China: (CH9830) For most exporters, China evokes a tantalizing image of a single market comprising 1.3 billion consumers. In fact, China more closely resembles a plethora of scattered markets separated by intense regional protectionism and an inadequate distribution system. Yet despite the barriers to entry and fragmented market structure, China remains one of the hottest potential markets for American exports. ATO offices in Guangzhou and Shanghai strongly encourage American exporters to consider the Chinese market for their products.
7. Imported Wholesale Wood Market Opens in Shanghai: (CH9827) One of the largest local wood wholesale markets in China, the Shanghai Furen Forest Products Wholesale Market renowned for its flooring and plywood products recently added an imported wood market, the first of its kind in Shanghai.

8. Food and Agricultural Import Regulations and Standards (“FAIRS”) Report: (CH9010) This report provides a consolidated source of general information on technical requirements for food and agricultural imports into China. This report includes newly added important sections on China’s Food Hygiene Law, Food Labeling Requirements, Food Additives Standards and “Green Food” (Organic Food) Standards.
9. China Poultry Annual Report: (CH9821) China’s poultry industry kept growing steadily in 1998. Ministry of Agriculture (MOA) statistics indicate the nation’s 1998 annual poultry production reached 10.7 million metric tons, 3 percent over 1997. China remains a net importer of poultry meat by volume with 1998 imports estimated at 796,000 metric tons valued at US\$613 million (including Hong Kong re-exports). We forecast continued Chinese poultry production growth of 2-3 percent for both 1999 and 2000.
10. Business Travel in China: (CH9818) As the world’s most populous country, China has quickly become an important market for many US businesses. USDA/FAS representatives in Beijing, Shanghai and Guangzhou warmly welcome US agricultural exporters to China and have prepared this brief introduction to give business travelers the knowledge and confidence to explore China as a market for US products.
11. China's Reaction to the EU Dioxin Issue: (CH9814) On June 9, China suspended imports of meat, dairy products and poultry produced after January 15 in Belgium, France, the Netherlands and Germany, including raw materials and semi-finished products. This suspension will likely be in effect for many months and may provide increased opportunities for dairy product exporters from Australia, New Zealand and the US.
12. Market Brief: Confectionery and Chocolate in China: (CH9806) In 1997, Chinese confectionery manufacturers sold over USD 747 million dollars worth of product. During the same period, China imported a further USD 125 million dollars of foreign sugar and chocolate confectionery, but in 1998 these imports shrank by 16% to by just under USD 105 million. Influenced by the influx of advanced, high-quality products from abroad, the confectionery industry is rapidly transforming, thus creating a variety of opportunities for foreign exporters. This report takes a close look at the overall confectionery market situation in China, consumption, manufacturing and distribution trends, competitive landscape, and existing opportunities in the market.
13. China's Current Market Situation for Imported Seafood: (CH8826) China is a vast market for seafood products and consumption has been growing steadily over the past ten years. Fresh and live seafood imports have grown 50% since 1992 to reach over 1.5 million tons in 1997. But recent measures introduced by the government, aimed at tightening foreign exchange controls and customs inspection procedures, are making it difficult for Chinese importers to bring in seafood products from overseas legally and at competitive prices.
14. Market Brief: Entertainment Sector: (CH8821) As China’s economy has rapidly expanded, so has its entertainment sector—particularly in the large, first-tier cities. When purchasing for home consumption, Chinese tend to focus their purchasing decisions on the price of a product and buy

whatever is the least expensive. However, when choosing an alcoholic beverage for consumption in a public place, Chinese consumers generally focus on quality, taste, and the image of the drink. The keys to success in this competitive and fragmented market are taste and marketing. Light and/or sweet tasting beverages appeal most to the Shanghainese palate and the marketing must convey a message of wealth and success.

15. Dining with the Shanghainese: (CH8820) As the largest metropolis in China, Shanghai is a trend setter for the nation's food consumption. Thus, it is valuable for food industry analysts to examine Shanghainese eating habits. A brief look at breakfast, lunch, and dinner, as well as snack foods, reveals greater interest and demand for healthy and convenient foods, including a distinct preference for seafood.

16. Peoples Republic of China, Shanghai Consumer Food Purchasing Habits: (CH8817) Shanghai is quickly reclaiming its place as China's premier city, and local citizens are undergoing a revolution in food attitudes and shopping habits. In a mere five years, food distribution and retailing have been modernized, and with rising incomes Shanghai consumers are purchasing ever more convenient, high-quality foods.

17. Peoples Republic of China, Dalian Consumer Food Purchasing Habits: (CH8816) This market brief gives reader overview of Dalian consumers' attitudes toward food purchasing. The North eastern port city of Dalian presents a series of opportunities to US food exporters with an entrepreneurial spirit and a drive to get ahead of the pack in China. Dalian consumers, although falling behind mega-cities like Shanghai, have made impressive progress over the past few years and the future is bright. Caution is needed, however, especially with the drying-up of investment capital due to continuing economic woes in Asia.

18. Market Brief: Nuts and Seeds Snacks: (CH8815) A look at the niche "Roasted Seeds and Nuts" market in China with analysis of product variety, flavors, packaging and pricing, and US producer export opportunities.

19. Market Brief: Wine: (CH8803) This market brief touches on China's viticulture, wine production, China's market for wine imports and its export market. It contains information about the present situation of wine consumption, market preferences and the distribution channels for both domestic and imported wine products. Key issues such as tariffs and Chinese labeling requirements are discussed so US wine exporters can be prepared for the required procedures. In this market brief, both market opportunities such as rapid economic development and ever-rising consumer purchasing power and market hurdles such as lack of consumer awareness, active competition from outside, immature distribution network and trade barriers are analyzed.

20. Microwave Ovens are Entering Chinese Kitchens: (CH8801) Following a manufacturing glut and subsequent price war, microwave ownership is growing fast in Shanghai. By contrast, microwaveable foods lag sorely behind and present many opportunities. This brief takes a good look at the microwave industry and related trends in and around Shanghai.

**B. Other Reports of Interest**

In addition to the reports above, ATO Shanghai has a variety of informative articles and market briefs:

- Food Ingredients in East China
- Popcorn in Shanghai
- Brand Management in China
- Snack Foods in Shanghai
- Fast Foods in Greater Shanghai
- The Green Food Market In China
- Vegetable Products Update
- Frozen Foods-Market Brief
- Wood Products in China - Market Brief

To download a market brief or report, visit the FAS Home Page at <http://www.fas.usda.gov>, click on Countries, and under Market Reports select Attache Reports. On the search form click on Custom Date, select dates from January 1, 1996 and type in either a known AGR Number of a report or a keyword in the Find Subject field. From the country list below the search form select China, Peoples Republic. Then click on the Submit button. You'll find more than 100 reports relating to China. Or you may contact:

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If you find the above information in this report to be of value, your feedback would be highly appreciated since it will allow us to evaluate current as well as plan future activities. Please e-mail/fax comments to the ATO Shanghai -or- kindly fill out the Feedback Form on our web site:

**[www.atoshanghai.org](http://www.atoshanghai.org)**